

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Registered Charity Number: 1000661

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY
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BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**REPORT AND FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2017**

Reference and administrative information

Trustees	Appointment Date	1st Term End	2nd Term End
Frank McEvoy (Chair)	November 2009	October 2012	October 2017
Richard Cerson	July 2015	June 2018	June 2021
Frank Kenny	November 2009	October 2012	October 2017
Fr. Dan Mason	October 2011	September 2014	September 2017
Peter Dowse	December 2011	November 2014	November 2019
Sr Margaret Horton CRSS	March 2012	February 2015	February 2018
Ken Beech*	March 2012	February 2015	December 2016
Anthony Tisi	March 2013	February 2016	February 2019
Christopher Tisi	June 2015	May 2019	May 2023
David Worsfold	December 2013	November 2017	November 2021
Eloise Crush*	September 2014	August 2016	N/A
Frank Maguire	January 2015	December 2018	December 2022
Christopher Chandler	March 2015	February 2018	February 2021
Liam Connelly	September 2016	August 2019	August 2022
Martin McClenaghan	June 2017	May 2021	May 2025
Alison Golder	June 2017	May 2021	May 2025
Ray Keilthy	September 2017	August 2021	August 2025
Lucie Racon	September 2017	August 2021	August 2025
John-Paul Liddle	September 2017	August 2021	August 2025
Therese MacDermott	September 2017	August 2021	August 2025
Anne-Marie Creaven	September 2017	August 2021	August 2025
Rev. Mathew Bemand-Qureshi	September 2017	August 2021	August 2025

*During the year Ken Beech and Eloise Crush resigned as trustees but remain valued supporters. Liam Connelly joined the Board during the year. In 2015/16 the Trustees exercised a discretion by unanimous vote to slightly extend some terms of service and to move from three to four year terms for future trustees.

President: Rt Reverend Alan Williams Bishop of Brentwood.

Founder: Rt Rev Mgr. John Armitage

Director: Mr Steven G Webb (resigned 9th April 2017); Mrs Bernadette Fisher (appointed 28th March 2017)

Principal Office: Childcare House, Little Wheatley Chase, Rayleigh, Essex SS6 9EH

Charity Number: 1000661

Trading names: In addition to the formal name Brentwood Catholic Children's Society the name "bccs" is used generally and the name "Childcare" is used in association with the shop.

Auditors: RSM UK Audit LLP, Marlborough House, Victoria Road South, Chelmsford CM1 1LN

Bankers: HSBC Bank PLC, 91 High Street, Brentwood, Essex, CM14 4RU
CAF Bank Ltd, 25 Kings Hill, Kings Hills Avenue, West Malling, Kent, ME19 4JQ
Santander UK, 2 Triton Square, Regent's Place, London, NW1 3AN

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their Annual Report and Financial Statements of the charity for the year ended 31 March 2017.

These audited financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Structure, Governance and Management

bccs is an unincorporated trust constituted under a Trust Deed dated 25th August 1990. It is an independent registered charity in England and Wales, number 1000661. **bccs** is not formally connected to the Diocese of Brentwood (which is a separate charity) and for legal purposes the two are not connected. However the Bishop of Brentwood is our President and we maintain very close informal links with the diocese and the parishes.

bccs does not receive any direct funding from Government or from the Diocese of Brentwood. During the year funding for a particular project was received from Essex County Council. Donations are received and an active fundraising events calendar is undertaken, furthermore **bccs** operates one charity shop under the name "Childcare" and receives income from partner schools.

The trustees are appointed by the Board of Trustees. Following an Order made by the Charity Commission on 18th July 2005 the Trust Deed was amended giving the trustees the power at their discretion to vary both the number of trustees and the length of time that they can serve.

Meetings of the Board of Trustees are held four times a year to agree broad strategy and areas of activity and to receive reports from the Director and three Sub Committees (Finance, Governance and Fundraising). Additionally the trustees consider investments, safeguarding, reserves and risk management on a regular basis.

Sub committees also meet up to four times per year prior to the Main Board meetings and they have the power to co-opt advisers as required.

Day to day operation of **bccs** is delegated to the Director and staff.

Finance Sub Committee:

Approves the Annual Budget prior to submission to the Main Board for final approval.

Monitors financial performance against budget and monthly management accounts.

Liaises with the auditors.

Assesses financial risks and provides advice to the Director.

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Fundraising Sub Committee:

The programme of events is monitored by the trustees. At each meeting the Fundraising Sub Committee monitors the performance of fundraising events that have taken place against the budget set for them. Lessons are learned and decisions taken in relation to future events that may be the same or similar. It also keeps track of those events that have not yet taken place so as to ensure so far as is possible, that they are on target both in financial terms and in terms of putting on a successful event for the participants. We aim to deliver a programme of events that not only raise money directly but also help to build the community of those who support our work.

In relation to donations throughout the year the Fundraising Sub Committee monitors each heading to ensure that we are on track and so that decisions can be made about how we might bolster performance if we are not. Some activities are seasonal and some are year-long and for those that are seasonal Trustees will monitor activity within the Fundraising team to ensure that appropriate preparations have been made to support seasonal appeals and to learn lessons for the future after each season is complete.

Fundraising Trustees are presented with a financial report at each meeting against which monitoring can take place.

Assesses risks and provides advice to the Director and fundraising staff.

Governance Sub Committee:

Monitors policies and practices within **bccs** and assesses risks associated with good governance.

Induction and Training of Trustees

The Board keeps the skill set required for proper performance of its duties under regular review. Potential trustees attend a meeting as observers in order to meet other trustees and to gain a fuller understanding of the work of **bccs** and the Board before making a commitment to serve as a trustee. As a matter of courtesy, new trustees are notified to the President who writes to them before they are formally appointed by the Board at the next Board Meeting. New Trustees are given an induction covering all aspects of the history of **bccs**, Charity Commission requirements, safeguarding, current practices and structures.

During the course of the year trustees have received on-going training and updates in relation to Safeguarding, Statements of Recommended Practice for accounting and developments in the statutory and legislative framework surrounding fundraising activity in the light of the Etherington Report (continuing into 2017/18). Trustees were also updated on Risk Management best practice and the activities and supervision of our Social Workers and Counsellors. Regular updates by the Training and Fundraising Teams are given at Trustee meetings. We will continue to develop the knowledge and skills of Trustees into 2017/18 with particular reference to the Charity Commission's updated CC20 guidance, - "A Guide to Trustee Duties"

Key Risks and Uncertainties

Trustees regularly consider and review risks against an established and constantly refreshed Register of Risks. This is done in sub committee meetings and reported to main board. The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate the charity's exposure to such risks.

The principal risks we have identified are broken down into "Operational", "Environmental and External", "Law and Regulation Compliance", "Governance" and "Finance". The nature of our operations, the interaction with parish communities, supporters, priests in the diocese of Brentwood and particularly the relationships we have with over 100 schools means that our risks are diverse and to an extent interconnected. The main risks as identified by the scoring system in our risk matrix are.

- a) The risk of having an ineffective Board of Trustees. We are fortunate that we maintain a board of high quality trustees through good recruitment in a good mix of skills relevant to our operations. This is re-enforced by induction, training and refreshing the Board on a regular basis with an agreed retirement process.
- b) The risk of having poor financial controls and reporting. The sub committees are particularly helpful in mitigating this risk and sensible setting of budgets and good monitoring of performance against those budgets both by the executive team and the trustees on a regular basis helps to keep timely information available to allow good decisions to be made.
- c) The risk of poor safeguarding policies. As the Charity works with vulnerable children and families, safeguarding is considered an inherent risk in the work we do. Bccs has a framework of controls, consents, policies and reviews to mitigate the associated risks. The focus on training of trustees and professional staff together with an effective supervision structure ensures that concerns are identified and acted upon.
- d) The risk of economic strains in the education sector. Financial risks to the charity reflect the uncertainties of the economic climate and strains within the education sector. More schools and Multi Academy Trusts are increasingly becoming key commissioners of their own services. With this in mind bccs are mitigating this risk by expanding our core one-to-one counselling activity to deliver training and workshops aimed at supporting the mental health and wellbeing of children and young people.

- e) The sensitivity to financial losses and our ability to meet liabilities as and when they fall due, combined with our relationship with the Diocese of Brentwood is the final key area of risk identified by our matrix. We maintain a good relationship with our President, Director of Catholic Education and Diocesan Director of Civil Administration, through regular meetings and updates from the Director. This along with constant effective communications with parishes and schools in the diocese, both reduces the risk and increases the possibility of early warning of potential risks. Professional services income being subject to service level agreements have a requirement of a minimum notice period of one academic term and so assists with financial planning and forecasting. Constant monitoring of the financial position ensures that timely actions can be taken in response to adverse circumstances. We carefully monitor the effect of National and local trends on school budgets allowing us to respond as necessary.

Objectives and Activities

When **bccs** was established by the Diocese of Brentwood the primary aim was protecting and improving the quality of life of vulnerable children and young people throughout Essex and five East London Boroughs of Barking & Dagenham, Havering, Newham, Redbridge and Waltham Forest.

Today **bccs** fulfils this objective by providing an early intervention service to prevent or mitigate behavioural and emotional problems. Professional Social Workers and Counsellors work in partnership with school staff to support young people and their families when they are in need.

The working mission of **bccs** has always been, and remains:

- To provide a caring, professional response to the child and family in need, irrespective of race or religion.
- To uphold the rights of the child and to ensure the protection and welfare of the child is paramount.

At **bccs** we employ only highly skilled and experienced professional staff. Those professionals are supported by a small administrative team so as to enable them to spend the maximum amount of working time face to face with the children and the families they are helping. They are fully and effectively supervised and supported so as to maintain a high quality of service.

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FOR THE YEAR ENDED 31 MARCH 2017

Financial Review

Every year our key task is to match our income to the cost of the work we do. We never have a shortage of work that we could do and in recent years our workload has increased dramatically. In order to maintain long term sustainability we must avoid taking on more unfunded work than we can afford to do. Our main limitation on our activities is generating income. We differentiate Operational Income from Overall Income in all of our internal management and monitoring. Operational Income excludes legacy and gift income of an unusual (above a low budget level representing a reasonable and prudent expectation) nature. We aim to break even without such income and we do not include it in our planning on a yearly basis.

Overall our income increased by £57,908 from £812,308 to £870,216.

Funds from voluntary donations and similar income has increased by £20,545 over the prior year, from £155,613 to £176,158, This is due to higher levels of donations from individual supporters, more successful fundraising campaigns within the schools we work in and a 14% increase in advent donations from the parishioners within the Brentwood Diocese.

In 2016/17 the income directly generated by the work we do with schools shows a 4% increase by £19,851 from £474,166 last year to £494,007 this year. All of this increase represents additional work done for the benefit of children. Each year we apply a small CPI increase to the amount we ask schools to contribute to our costs (0.2% this year). During this year Extended Services provision has dissolved in many areas and provided the opportunity for new schools to avail of our services.

However, during the year our costs increased faster than our income due to a variety of reasons. The cost of providing care increased by more than the additional income it generated. The cost of providing care increased by £49,160 from £731,623 to £780,783. This is partly because we are a victim of our own success. As we have grown and provided more benefit to more children we have increased the number of people working for us in order to provide that care. Salaries are by far our highest spend and our average full time equivalent number of staff has increased from 13.8 in 2015/16 to 15.5 this year. Most of our social workers and counsellors are part time and the actual number of employees is therefore significantly more than that at any one time.

As we are a charity that is absolutely committed to providing the highest quality of care to children and young people. One of the things we consider essential is proper supervision, management and training of all our professional staff. Our growth required that we increase our supervision and management costs partly to ensure quality and partly as a reflection that we had reached a size where the old supervision model needed to be adapted in order to keep a good ratio of professionals to supervisors. This came at a cost to us but will stand us in good stead going forward. These figures reflect that during 2015/16 we made a conscious decision to take on more work than we would have preferred to do but we did so for good reasons and subject to strict conditions. We were not doing it with our eyes closed. We have agreed that during 2017/18 we will not continue to grow unless and until we can directly fund continued expansion. In setting a deficit

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budget for 2017/18 the Board has set strict conditions for our future operations that require a return to at least Operational Breakeven by 2018/19 and a deficit of no more than £20,000 in 2017/18.

Legacy income was at a lower level than last year at £15,000 (£25,700 in 2015/16). Post year end we have been advised **bccs** are a named beneficiary in the will of a dear supporter entitled to a 14.286% share of the residue of the estate. It is estimated this may exceed £100,000 but as subject to grant of probate, estate administration and potential claims no accurate time-scale or value can accurately be anticipated.

This current year shows an operating loss but investment gains have resulted in positive net movement in funds. This has in turn led to our free reserves increasing from £114,107 in 2015/16 to £127,527 in 2016/17. This represents 1.72 months expenditure (1.6 in 2015/16). The medium to long term aim is to increase this to 5-6 months.

A key performance indicator for **bccs** has been the percentage of incoming resources (ex legacy income) accounted for by fees for professional services. This year the percentage is 57.8 (60.3 in 2015/16) and total fees rose by 4% (13.7% in 2015/16) due to increased demand. With the strategy of expanding the portfolio of services we provide **bccs** aim to improve this ratio in order to achieve operational sustainability in the medium term. It is important to **bccs** that we are a charity and not merely a service provider. The interconnection between our work, the schools we partner with, the children and families we help and our donors and supporters is an important factor in contributing to our community.

We have been striving to increase the level of expenditure on the direct provision of support and care service as a percentage of total expenditure - this year it is 88% (86% in 2015/16).

Fundraising continues to play a significant role in funding our work. Despite the increase in the percentage of income provided by fees, the increased level of work that is being undertaken means that our fundraising targets continue to increase in real terms. We are striving to maintain a calendar of social events that provide good income and widen our community of supporters through having a good time. Donation levels have increased 13% this year after holding up remarkably well through the harsh economic climate thus far.

At Highams Park we have a charity shop which contributes significantly to our finances by accepting donations of clothes, toys, books and DVDs etc and selling them on for the benefit of **bccs**. We are incredibly grateful to the many volunteers who run the shop and the people who generously donate to it.

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Achievements

The working model is early intervention, prevention and mitigation of behavioural, social and emotional problems. The child is placed firmly at the centre of everything and we also work with the family, the school and other agencies if it is required. When a child is referred to **bccs** we commence work straight away and remain in contact for as long as it takes.

In 2016/17 our numbers of professional meetings more than doubled due to the severity and complexity of our cases. This has meant that the number of sessions we spend with children and families has continued at a much higher level than in the past and during the last year an increasing amount of time was spent meeting and liaising with other statutory bodies. Throughout the year some schools requested more time in order to meet the complex nature of some family dynamics and settings.

	Cases	Sessions	Home Visits	Agency Meetings
2012/13	1,236	10,516	202	257
2013/14	1,191	12,225	264	318
2014/15	1,691	12,204	220	306
2015/16	1,808	12,266	40	277
2016/17	2,133	10,899	0	648

Our cases include children participating in group sessions where issues such as social skills, stranger danger and anxiety are addressed as well as one to one sessions. In some school situations group activity work is more beneficial than individual counselling as it facilitates sharing strategies and confidence building.

In addition to our core work this year we have delivered in house primary school training focusing on emotional health and wellbeing for members of school staff in support of children, undertaken 8 consultations on complex cases and 5 courses tailored to the specific needs of individual schools. The range of workshops delivered has expanded in 2016/17 to include Mindfulness for School Staff (23 sessions) and Parenting Support Groups (5 courses). These additions to our work have been highly valued by schools and families alike and will be continued in the future. They are helping **bccs** to help many more children than ever before on top of the core activity recorded above.

The quantity and variation of our work continues to expand in order to meet the demand of children in need in our diocese.

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The work we do is constantly evaluated in different ways. Continuous dialogue between **bccs** and our partner schools ensures that day to day feedback is obtained from a school perspective. Recognised evaluation methods are used in many cases to assess the improvement in a child over the course of our intervention and formal evaluation reports are provided to consortia of schools and to some individual schools where that is a valued method. All of our new work in 2016/17 was unsolicited and came from recommendation, reputation or increased demand from existing partners. We are able to respond promptly to schools seeking to increase our level of service either through increased service level agreements or by temporary adhoc help to a specific situation.

The main indicator of our performance is our ability to meet the needs of children who are in need as described above, but we are constantly striving to do so in a financially sustainable way.

Reserves and going concern

Our medium to long term policy is to have 5 to 6 months expenditure as reserves. The trustees consider that this level will provide sufficient funds to fund support and care services and ensure that support and governance costs are covered and amounts to between £369,000 and £443,000. Medium term would be defined as 5 years. In recent years we have moved towards this from having no reserves to accruing free reserves equivalent to 1.6 months expenditure last year. This year we have made a net increase in funds (see Financial Review) and our reserves have increased to 1.72 months expenditure. This increase is both relative and absolute as our monthly expenditure has increased and the total amount of free reserves £127,527 this year has increased from £114,107 last year. The Board expects the free reserves to fall again slightly in 2017/18 but remains committed to the medium term plan. In order to achieve this we are committed to becoming at least operationally breakeven by 2018/19 before moving into operational surpluses. During 2016/17 we cut one salary (not providing direct care) in the short term by not replacing a departing member of staff. By re-organising our supervision structure part way through the year, we have also been able to reduce our Advanced Practitioners from 3 to 2. It has been agreed any exceptional legacy or gift income will be used to bolster reserves before any further expansion of our operations takes place (unless the expansion can be immediately self-financing). The Board has agreed a series of conditions to ensure compliance with this policy and that will be monitored closely.

Our relationship with The Diocese of Brentwood is such that **bccs** is part of the Diocesan pool banking system which underwrites short-term fluctuating overdraft requirements. We work closely with the Diocesan Director of Civil Administration updating quarterly on financial matters. Following the Board Meeting of Brentwood Catholic Diocesan Trust on 19th October 2017, it was formally confirmed the Trust would continue to support **bccs** through the provision of overdraft facilities for the next twelve months ensuring the Society can continue to fund support and care services. The Trustees are confident that this support combined with close monitoring of current performance, budgets and onward forecasting by our Board and Finance Sub Committee will ensure that we get the right balance between meeting the immediate needs of children and our financial responsibilities as a going concern and consider adequate resources continue to be available to fund the activities of **bccs**.

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Investment

The Board has agreed to maintain the current portfolio of investments which are all mainstream balanced low risk funds. It is not considered appropriate to have a more detailed Investment Policy unless and until our investment portfolio grows considerably. The Trustees will review the current portfolio during 2017/18 to ensure return is maximised albeit within a low risk environment. The Trustees do not consider high risk or speculative investments as suitable for bccs.

There are some long term unit trust investments which have shown an unrealised gain of £23,629 (£8,794 deficit in 2015/16). The Trustees regularly monitor the investment position and are satisfied that the management of deposit accounts has achieved an acceptable return.

Volunteers

We have a dedicated band of volunteers who run our shop in Highams Park. We have 19 volunteers who work part time to varying degrees in order to run the shop generating a net income this year of £14,265. All of our Trustees are volunteers and claim no remuneration or expenses. We also have the assistance of volunteers who help with seasonal administrative tasks like mailings and events and others who help in varying degrees with the running of events in conjunction with our Fundraising Manager. All of these people provide a valuable contribution to the care of children in our community and we are grateful to them all.

Key Management

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. The salary of the Director was determined to mutual satisfaction and market rate for a charity of its size at the time of joining and has been increased precisely in line with increases applicable to all other employed staff year on year.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in s17 Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by bccs.

The early intervention services provided by bccs enable the children to address difficulties that may be impeding their educational, social and emotional development. This benefits the individual children directly and also their peers in school. This in turn helps support teachers and other school support staff. We are committed to the principle that assistance is provided to any child in need irrespective of background, race or religion.

Future Plans

- Progress towards Operational Sustainability: We continue to become more efficient to make the best use of every £1 donated to **bccs**. It is our short/medium term aim to become financially sustainable without relying on exceptional and unexpected income. We will continue to focus on this moving forward conscious that there is a lot more we can do to benefit the children in our community as and when we get any unexpected income in the future.
- The Board is conscious that our growth has been rapid and significant and has committed to maintain the current high level of work but reluctantly not to take on any more work that is not of itself self-financing until such time as we have achieved targets set. The Finance Sub Committee has committed to very close monitoring of the financial position through 2017/18 with a view to achieving Operational Sustainability by 2018/19.
- This year we have continued to meet the requirements of schools in meeting the needs of children, but it is becoming increasingly difficult to do so and to keep our Operational Sustainability target in sight. We are committed to both and we will continue to be committed to both in the long term but in the short term we must focus on sustainability in order to ensure that we are here for the long term.
- Improve voluntary income: Having become far more cost efficient in recent years, we now need to increase our voluntary income in order to meet demand in the future and to achieve operational sustainability. The fundraising committee has recently expanded in numbers allowing us to explore new ideas and different avenues with an objective of increasing income streams within the community.
- During 2017/18 we will undertake an evaluation process of our professional services to schools with a view to tailoring the service support to meet the needs of Multi Academy Trusts.
- Continue to diversify into high quality complimentary services: During recent years we have realised that we can help children in additional ways that are entirely consistent with who we are and what we do. We have been very successful in providing these types of service during the year and in future we will continue to expand both the quantity and scope of this area of our operation on a self-financing basis. In 2016/17 we expanded to provide Mindfulness and Parenting workshops within the primary school setting. In 2017/18 we intend focusing on the needs of secondary schools. The training team are currently planning new initiatives for the 2017/18 academic year with an emphasis on:

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- Mental and emotional health workshops in secondary schools
 - Group supervision in the school setting
 - Staff consultations and counselling skills delivery
 - Parental therapy
 - Self-referral counselling services
 - External supervision
- Strive for even higher quality: Everything we do rests on the quality of what we are able to give to the children we help. We will always strive to make this better no matter how good it currently is. To achieve this we will allow the changes we have made to the supervision structure to bed in and monitor its success. Additionally and as a direct consequence of implementing the new supervision structure we will be working to improve the focus of continuing professional development of our professional staff both with better in house training and more targeted use of external providers. This is vital to maintain the continuous improvement in the quality of what we do.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 20th September 2017 and signed on their behalf by:



Frank McEvoy Chair of Trustees

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

Opinion on Financial Statements

We have audited the financial statements of Brentwood Catholic Children's Society for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Emphasis of matter – early adoption of the Charities SORP (FRS102)

In forming our opinion, which is not modified, we have considered the disclosure in note 1 concerning the charity's early adoption of the Charities SORP (FRS 102) issued in July 2014, rather than applying the Charities 2005 SORP which has been withdrawn but is still referred to in the extant Charities (Accounts and Reports) Regulations 2008. This departure has been necessary for the financial statements to show a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for accounting periods beginning on or after 1 January 2015.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' responsibilities set out on page 13, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 152 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Marlborough House
Victoria Road South
Chelmsford, Essex, CM1 1LN
Date: 30 November 2017

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2017

Income and endowments from:	Notes	Unrestricted Funds £	Restricted Funds £	2017 Total £	Unrestricted Funds £	Restricted Funds £	2016 Total £
<i>Donations and legacies</i>							
Donations and similar incoming resources		171,658	4,500	176,158	150,738	4,875	155,613
Legacies		15,000	-	15,000	25,700	-	25,700
Trusts and Grants		48,000	5,364	53,364	26,250	3,200	29,450
<i>Charitable activities</i>							
Fees for professional services and service level agreements		494,007	-	494,007	474,156	-	474,156
<i>Other Trading Activities</i>							
Fundraising events income		94,822	-	94,822	89,057	-	89,057
Shop income		28,894	-	28,894	29,589	-	29,589
<i>Investment Income</i>							
Dividends		7,971	-	7,971	8,743	-	8,743
Total Income		<u>860,352</u>	<u>9,864</u>	<u>870,216</u>	<u>804,233</u>	<u>8,075</u>	<u>812,308</u>
Expenditure on:							
<i>Raising Funds</i>							
Fundraising events costs		81,476	-	81,476	85,743	-	85,743
Shop costs		14,629	-	14,629	13,045	-	13,045
Fundraising costs - Trusts		8,907	-	8,907	20,391	-	20,391
<i>Charitable activities</i>							
Provision of support and care services		768,252	12,531	780,783	720,849	10,774	731,623
Total Expenditure	2	<u>873,264</u>	<u>12,531</u>	<u>885,795</u>	<u>840,028</u>	<u>10,774</u>	<u>850,802</u>
Net (Expenditure) and net movement in funds before gains (losses) on investments		(12,912)	(2,667)	(15,579)	(35,795)	(2,699)	(38,494)
Transfers between funds		(806)	806	-	(509)	509	-
Unrealised gains/(losses) on investment		23,629	-	23,629	(8,794)	-	(8,794)
Net movement in funds		<u>9,911</u>	<u>(1,861)</u>	<u>8,050</u>	<u>(45,098)</u>	<u>(2,190)</u>	<u>(47,288)</u>
Total funds brought forward		<u>123,472</u>	<u>6,485</u>	<u>129,957</u>	<u>168,570</u>	<u>8,675</u>	<u>177,245</u>
Total funds carried forward		<u><u>133,383</u></u>	<u><u>4,624</u></u>	<u><u>138,007</u></u>	<u><u>123,472</u></u>	<u><u>6,485</u></u>	<u><u>129,957</u></u>

All operations are continuing and there are no discontinued operations in either year.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	6	5,856	9,364
Investments	7	225,411	201,782
		<u>231,267</u>	<u>211,146</u>
Current Assets			
Debtors	8	18,170	29,333
Cash at bank and in hand		1,295	7,283
		<u>19,465</u>	<u>36,616</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(112,725)	(117,805)
Net current liabilities		<u>(93,260)</u>	<u>(81,189)</u>
Total assets less current liabilities		<u>138,007</u>	<u>129,957</u>
Funds			
Unrestricted funds	11	133,383	123,472
Restricted funds	10	4,624	6,485
Total funds		<u>138,007</u>	<u>129,957</u>

The financial statements on pages 15 to 26 were approved by the Trustees and authorised for issue on 20 September 2017

and signed on their behalf by:



F McEvoy
CHAIR of TRUSTEES

20/Sept/17

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

		Total Funds 2017	Total Funds 2016
	Note	£	£
Net cash used in operating activities	13	(20,469)	(29,941)
		<hr/>	<hr/>
<i>Cash flows from investing activities:</i>			
Interest and dividends		7,971	8,743
Purchase of furniture and equipment		(406)	(3,996)
		<hr/>	<hr/>
Net cash provided by investing activities		7,565	4,747
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(12,904)	(25,194)
Cash and cash equivalents brought forward		(51,306)	(26,112)
		<hr/>	<hr/>
Cash and cash equivalents carried forward		(64,210)	(51,306)
		<hr/>	<hr/>

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 Basis of Preparation and assessment of going concern

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets. The financial statements have been prepared in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011 and applicable regulations.

The trustees consider that it is appropriate to prepare the accounts on a going concern basis; this based on the financial forecasts for the period to 30 September 2018. Following the Board Meeting of Brentwood Catholic Diocesan Trust on 19th October 2017, it was confirmed it would continue to support BCCS for the next 12 months through the provision of overdraft facilities. The facility will be used throughout the year ahead in order to ensure the Society can continue to work towards achieving its charitable objectives. The Charity is further supported by a significant investment portfolio which can be called upon in the event further cash is required.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative item was needed. No restatements were required.

The charity constitutes a public benefit entity as defined by FRS102.

1.3 Critical accounting estimates and judgements

There are no areas within the financial statements which have required the Trustees to make significant judgements or estimates.

1.4 Income

Voluntary, charitable and fundraising income from various sources are only recognised as income when there is sufficient evidence to provide the necessary certainty so it is probable that the income will be received, that the charity is entitled to receive the income and the value can be measured with sufficient reliability. In the case of legacy income, this is recognised when the above income recognition criteria have been met.

Fees from professional services and service level agreements are recognised in the period the service has been provided.

Shop income is included when earned.

Investment income is included when receivable.

Donated assets are included within income at their estimated market value, and are capitalised in the balance sheet.

1.5 Tangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £100 are capitalised and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Fixtures, fittings and equipment - 25% straight line basis

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

1.6 Investments

Fixed asset investments are initially stated at their transaction value and subsequently stated at market value. Any realised and unrealised gains or losses, including income received on accumulation units, are included in the Statement of Financial Activities.

The Charity does not acquire or use put options, derivatives or other complex financial instruments.

1.7 Impairment of Fixed Assets and Investments

Fixed assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the SOFA in the year in which it occurs.

1.8 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is included on an accruals basis, inclusive of any VAT that cannot be recovered. Support costs are allocated based on staff time spent on the activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities together with an allocation of support costs.

Expenditure on raising funds comprise those costs associated with attracting voluntary income and the costs of the charity shop together with an allocation of support costs.

Governance costs comprise direct costs for the statutory and governance of the charity together with an allocation of support costs. These are reapportioned to expenditure on raising funds and expenditure on charitable activities according to the ratio of salary costs for each heading.

1.9 Pension Costs

The Society makes defined benefit pension contributions to a Group Pension Scheme administered by Scottish Equitable. Contributions are charged against the Statement of Financial Activities as they fall due. At the year end, contributions of £5,342 were outstanding and were paid when due in April 2017.

1.10 Funds

Restricted funds are those funds subject to restrictions imposed by the donor. Details of funds subject to restriction are set out in note 10.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

1.11 Taxation

The charity is exempt from tax on income and gains under sections 466 to 493 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash, balances held within bank current accounts payable on demand. Bank overdrafts are shown within current liabilities.

1.13 Financial Instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial assets, which include trade and other receivables and cash and bank balances are measured at transaction price or consideration expected to be received. Investments are measured at market value. Basic financial liabilities, including trade and other payables and bank overdraft are measured at transaction price or consideration expected to be paid.

1.14 Contributions from Volunteers

The Society relies on part-time volunteers to run the charity shop in Highams Park. Volunteers also give their time on an adhoc basis to collate the Charity's newsletters and aid with sundry administration and fundraising duties. The Trustees consider there is no objective way of putting a financial value on this effort but record their gratitude to these volunteers for this considerable and essential contribution.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

2. TOTAL EXPENDITURE

	Support And Care services £	Fundraising Events £	Shop £	Trusts £	2017 Total £	2016 Total £
<i>Costs directly allocated</i>						
Staff costs	554,234	41,249	2,497	5,767	603,747	563,496
Agency staff and similar costs	21,733	-	-	-	21,733	32,687
Fundraising events and activities	-	27,030	-	-	27,030	27,640
Trusts	-	-	-	1,041	1,041	1,859
Shop	-	-	12,132	-	12,132	10,573
Special needs and other care costs	4,607	-	-	-	4,607	861
<i>Support costs allocated</i>						
Staff costs	80,072	5,959	-	833	86,864	88,195
Travel costs	34,171	1,088	-	10	35,269	30,479
Premises costs	12,847	956	-	134	13,937	14,221
Finance and administration costs	41,645	2,650	-	312	44,607	44,146
Professional fees	820	59	-	8	887	4,045
Depreciation	3,535	263	-	37	3,835	4,044
<i>Governance costs allocated</i>						
Staff costs	12,835	1,051		362	14,248	14,082
Audit and accountancy	13,312	1,091		375	14,778	13,288
General office support	901	74		26	1,001	1,088
Depreciation	71	6		2	79	88
2017 Total	<u>780,783</u>	<u>81,476</u>	<u>14,629</u>	<u>8,907</u>	<u>885,795</u>	<u>850,802</u>
2016 Total	<u>731,623</u>	<u>85,743</u>	<u>13,045</u>	<u>20,391</u>	<u>850,802</u>	

Support costs are allocated to each activity in proportion to the ratio of direct salary costs they represent, other than travel costs that can be directly attributable to specific activities.

In 2017 the expenditure on charitable activities was £780,783 (2016: £731,623) of which £768,252 (2016: £720,849) was expenditure from unrestricted funds and £12,531 (2016: £10,774) was expenditure from restricted funds.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

3. EMPLOYEES

Number of Employees

The average monthly number of employees during the year was:

	2017 Number	2016 Number
Fundraising and Trusts	2.6	3.1
Direct charitable	22.3	20.3
Administration	3.6	4.7
Governance	0.2	0.2
	<u>28.7</u>	<u>28.3</u>

Employment Costs and remuneration of key management personnel

	2017 £	2016 £
Salaries and Wages	621,065	592,316
Social security costs	52,049	48,584
Other pension costs	31,744	24,873
	<u>704,858</u>	<u>665,773</u>

The Trust considers its key management personnel comprise the trustees and the charity Director. The total employment benefits including employer pension contributions of the key management personnel were £56,187 (2016: £55,631). No employees had annual emoluments in excess £60,000 (2016: None).

All pension costs are from unrestricted funds for both years.

4. AUDITORS REMUNERATION

Included within the audit and accountancy costs in Note 2, the auditor's remuneration constituted an audit fee of £12,930 (2016: £12,600) and additional advisory fees of £1,740 (2016: £1,200).

5. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION

None of the trustees (or any persons connected with them) received any remuneration during the year (2016: Nil), and none of them were reimbursed for expenses (2016: None).

There were no services provided to the charity during the year by persons or legal bodies connected to any trustee (2016: Nil.).

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

6. TANGIBLE FIXED ASSETS	Fixtures, fittings and equipment £
Cost	
At 1 April 2016	35,128
Additions	406
Disposals	(695)
At 31 March 2017	<u>34,839</u>
Depreciation	
At 1 April 2016	25,764
Charge for the year	3,914
Disposals	(695)
At 31 March 2017	<u>28,983</u>
Net Book Value	
At 31 March 2017	<u>5,856</u>
At 31 March 2016	<u>9,364</u>
7. FIXED ASSET INVESTMENTS	Listed Investments £
Market value at 1 April 2016	201,782
Unrealised surplus in the year	23,629
Market value at 31 March 2016	<u>225,411</u>
Investment assets are held in the U.K.	
Historical cost:	
At 31 March 2017	<u>105,001</u>
At 31 March 2016	<u>105,001</u>

Listed investments include M&G Charifund income units, Black Rock Charishare and Charinco Common Investment Fund Income units, CCLA's income units and Schroder Charity Fixed Interest Fund units whose values individually exceed 5% of the total investment portfolio. Investments are held to provide an investment return.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

8. DEBTORS	2017	2016
	£	£
Prepayments and accrued income	9,045	15,956
Other debtors	9,125	13,377
	<u>18,170</u>	<u>29,333</u>

All debtors related to unrestricted funds in both 2017 and 2016.

9. CREDITORS: amounts falling due within one year	2017	2016
	£	£
Bank overdraft	65,505	58,589
Tax and social security	12,855	14,714
Accruals and deferred income	22,767	25,913
Other creditors	11,598	18,589
	<u>112,725</u>	<u>117,805</u>

All creditors in 2017 and 2016 relate to unrestricted funds.

Deferred Income – other

Balance as at 1 st April	9,836	4,725
Additional amounts of income deferred	4,037	9,836
Amount released to incoming resources	(9,836)	(4,725)
	<u>4,037</u>	<u>9,836</u>

This relates to professional service fee income received in advance and income received for fundraising events that take place after the year end.

Other creditors include pension contributions due at the year-end of £5,342 (2016: £3,710).

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

10. RESTRICTED FUNDS	Balance at 1 April 2016 £	Incoming Resources £	Resources Expended £	Transfer ex Unrestricted Reserves £	Balance at 31 March 2017 £
Training programme to support children with special educational needs	-	2,000	(2,289)	289	-
Improving behaviour and attendance project	-	1,000	(1,000)	-	-
Discretionary Fund	4,485	4,500	(4,361)	-	4,624
CRM Database Installation	2,000	-	(2,515)	515	-
Training programme for Secondary School Staff	-	2,364	(2,366)	2	-
	<u>6,485</u>	<u>9,864</u>	<u>(12,531)</u>	<u>806</u>	<u>4,624</u>

Training programme to support children with special educational needs

This grant was made to help fund the costs of setting up a series of workshop training programs to benefit young people with special educational needs by providing educational professionals with knowledge of how best to support young people's emotional health and wellbeing .

Improving behaviours project

The donation received towards this project was used to provide counselling via primary schools within a specific geographical region of Essex to help children learn strategies to resolve anger and behavioral issues, thereby reducing conflict within classroom settings.

Discretionary Fund

This fund consists of regular donations from an individual company requiring the monies be utilised for direct financial assistance to children and their families within Essex and East London, where it is recognize such assistance would make a real difference to their lives. The fund is administered within strict guidelines for specific item or event.

CRM Database Installation

This donation received, originally awarded to the charity towards the costs of installing a new customer relations database was utilised, with approval from the donor, for training of bccs staff on the charity's website via a CMS platform, allowing in house updates. This enables current information on events and campaigns to be carried out in a more timely manner better reaching out to our supporters thereby increased fundraising to support vulnerable children.

Training programme for Secondary School Staff

This grant was made to contribute towards the costs of creating, drafting, editing and preparing of a project to roll our secondary school training. The course is written specifically with young people and adolescents in mind striving to empower pastoral, support staff and Heads of year with knowledge to form the foundation upon which to introduce basic counselling skills.

BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

11. UNRESTRICTED FUNDS

	Balance at 1 April 2016 £	Incoming Resources £	Resources Expended £	Transfer to Restricted Reserves £	Unrealised gain on investments £	Balance at 31 March 2017 £
Unrestricted Funds	123,472	860,352	(874,876)	806	23,629	133,383

12. NET ASSETS OF THE FUNDS OF THE CHARITY

	Fixed Assets £	Net current assets/(liabilities) £	Fund Balance £
Unrestricted Funds	5,856	127,527	133,383
Restricted Funds	-	4,624	4,624
	5,856	132,151	138,007

13. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net movement in funds	8,050	(47,288)
Adjustments for:		
Depreciation charges	3,914	4,132
(Gains)/losses on investments	(23,629)	8,794
Dividends and interest from investments	(7,971)	(8,743)
Decrease in debtors	11,163	11,307
(Decrease)/increase in creditors	(11,996)	1,857
Net cash used in operating activities	(20,469)	(29,941)



BRENTWOOD CATHOLIC CHILDREN'S SOCIETY ("BCCS")

Final Audit Findings Report

Year ended 31 March 2017

Presented to the Trustees
By RSM UK Audit LLP

on 20 September 2017

THE POWER OF BEING UNDERSTOOD
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This report has been prepared for the sole use of Brentwood Catholic Children's Society ("BCCS") and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed to any other person in respect of this report.

1 INTRODUCTION AND COVERAGE

This report summarises our key findings in connection with the audit of the financial statements of Brentwood Catholic Children's Society ("BCCS") in respect of the year ended 31 March 2017.

The scope of our work has already been communicated to you via our Audit Plan document dated 20 September 2017.

A summary of adjusted and unadjusted misstatements identified during the audit has been prepared and is included in Section 4.

We consider that the audit approach adopted will provide the Trustees with the required confidence that a thorough and robust audit has been carried out.

We can confirm that, at the date of this report, we anticipate no modifications from our pro-forma audit report provided in the Audit Plan previously communicated to you.

2 AUDIT AND ACCOUNTING ISSUES IDENTIFIED AT PLANNING STAGE

Management over ride of internal controls

Key area of audit focus

In any organisation there will be an extent to which internal controls can be bypassed. By definition, there can be no controls over this risk and this is specifically stated in International Standards on Auditing ("ISA"): 240. Such over-ride, if exercised, could give rise to material fraud or misstatement in the financial statements.

This should be addressed as part of the Charity's risk assessment and the Trustees need to understand the extent to which controls can be overridden and provide oversight, where appropriate.

Our approach

We will test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We will review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement.

For significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual given our understanding of the entity and its environment and other information obtained during the audit, we will evaluate whether the business rationale (or the lack thereof) of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

Response

Our work has been completed as planned and no significant issues have been noted. We have made some control recommendations in respect of this in section 5 of this report.

FRS102 (New UK GAAP) and new charity SORP

Key area of audit focus

The transition date for FRS 102 (and the new Charities SORPs) is accounting periods beginning on or after 1 January 2015. Therefore management must adopt FRS 102 (new UK GAAP) for the period ended 31 March 2017. In the prior year BCCS opted to apply the new FRSSE SORP and now must convert to FRS102 SORP for 31 March 2017.

FRS102 (New UK GAAP) and new charity SORP

Our approach

We will review the assessment and identification of the changes required under the new Charity FRS102 SORP.

We will review the disclosures in the financial statements to ensure they are compliant with the new Charities FRS102 SORP.

Response

We have reviewed disclosures in line with the SORP and model accounts to ensure these are adequate. There were some additional disclosures required, as outlined in section 6 below, which have been included in the final accounts.

Fund Accounting and Income Recognition

Key area of audit focus

Fund Accounting errors may result in restricted funds received not being identified and accounted for properly, or invalid expenditure being charged to restricted funds.

Income should be recognised in accordance with the Charities SORP recognition criteria.

Our approach

We will obtain complete details of the nature of funds received and receivable, subsequent transactions and adjustments processed in the current year, ensuring that appropriate income and expenditure has been attributed to funds.

The accounting policies adopted by the Charity will be reviewed, considering the guidance available in the SORP and the recognition criteria.

We will review costs allocated against restricted funds and assess these against the terms of the funds.

We will ensure that procedures are in place for identifying restricted income.

Finally we will make enquiries of management and seek Trustee representations where needed.

Response

Our work has been completed as planned and no significant issues were noted. There were some additional disclosure amendments required as outlined in section 6 below.

Going Concern

Key area of audit focus

Given the ongoing economic climate the trustees will need to consider the future cash flow needs of the charity and the availability of on-going resources.

Going Concern

Our approach

We will review the trustees' assessment of the going concern status of the charity. We plan to review income and expenditure and cash flow forecasts for the period covering 12 months from the anticipated date of approval of the 31 March 2017 financial statements and will consider the underlying assumptions and sensitivities.

We will also consider any disclosures made by the trustees in the financial statements.

Response

Our work has been completed as planned. We note that the charity does not prepare detailed cash flow forecasts and a recommendation has been made in section 5 of this report. The increased use of the Diocese supported overdraft facility has been noted during the year end 31 March 2017, this will be discussed with the Board of Trustees on 20 September 2017.

We understand the charity has sought a letter of support from the Diocese based on current reliance on this overdraft.

3 AUDIT AND ACCOUNTING ISSUES IDENTIFIED DURING THE AUDIT

No significant audit and accounting issues were identified during the audit.

4 UNADJUSTED/ADJUSTED MISSTATEMENTS

A summary of the unadjusted/adjusted errors identified during the course of our work is set out below, analysed between errors of fact and differences in judgement.

We have not disclosed below those items that we consider to be "clearly trivial" in the context of our audit. For this purpose we consider "clearly trivial" to be any matter less than £1,000 individually and £2,000 in aggregate.

We advised management of all these misstatements throughout the audit and requested management to correct them.

	Profit (£)	Net assets (£)
Adjusted misstatements	Dr/(Cr)	Dr/(Cr)
None identified.		
Unadjusted misstatements Factual	Dr/(Cr)	Dr/(Cr)
Other creditors		2,315
Accruals		(2,315)
		Being: The reclassification of after date invoices
Underlying total	Nil	Nil
Unadjusted misstatements Judgemental	Dr/(Cr)	Dr/(Cr)
None identified.		

5 SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROL

We have set out below significant deficiencies in internal control which came to our attention during the course of our audit work. This does not constitute a comprehensive statement of all deficiencies that may exist in internal controls or of all improvements which may be made and has addressed only those matters which have come to our attention as a result of the procedures performed. An audit is not designed to identify all matters that may be relevant to you and accordingly the audit does not ordinarily identify all such matters.

Journal reviews – Prior year finding

Fact and potential consequence	As noted in the prior year audit findings report, there is currently no review process in place around journals, and therefore the only review is of the balances as part of the management accounts
Possible action	We continue to recommend that journals should be reviewed by someone separate to the preparer, to ensure that there are no erroneous journals posted or errors that go unnoticed. Journals can be exported as a transaction list from the accounting software, so one way of achieving this would be to perform this as part of the review of the management accounts.
Management response	Subsequent to the audit journals are reviewed by the Director monthly and Finance Subcommittee as a standing item at each meeting 4 times a year. The inclusion of an export of the sage nominal day book (i.e. journals) has been incorporated into the monthly management account pack since May 2017 & is included within the latest accounts (July 2017) included as part of the post balance sheet review documentation provided for the audit.
Timing of implementation and responsibility	Already implemented.

Server environment

Fact and potential consequence	It was noted that the server is unprotected and located near the sink in the kitchen. As such, there is a risk that a leak, or spillage, could cause significant server damage which could lead to data loss. Given also that the server contains case sensitive information, it should be located in a more secure environment, such as a locked room.
Possible action	In order to sufficiently protect the server, management should assess the environment and consider ways in which to reduce this risk, such as relocating the server.

Server environment

Management response	Currently trustees are investigating a cloud based system which would alleviate these issues. A decision will be made within the next 3 months.
Timing of implementation and responsibility	In progress.

Shop income – Prior year finding

Fact and potential consequence	The Charity's shop is run by volunteers, who will periodically bank the takings. The management team at BCCS currently have no financial oversight over the shop. This could lead to unreported income or misappropriation of funds as a result of inadequate controls around the cashing up and banking of cash. The tills are not electronic and therefore cannot be checked at a later point.
Possible action	We suggest that management should assess the controls in place at the shop as to whether these are adequate to continue the collection and banking of cash. We would also recommend that management obtain till reports from the staff at the shop and reconcile these to the cash received.
Management response	Our shop is managed by an older age group who would not be responsive to new technology. A complicated system would potentially deter our longstanding and committed volunteers and could ultimately lead to a loss of valuable income. The director will review the situation as to whether cash received & till receipts reconciliation is at all feasible on her next visit in November 2017.
Timing of implementation and responsibility	As noted above the director will review the situation upon her next visit.

Service Level Agreements ("SLA") – Prior year finding

Fact and potential consequence	<p>During our audit work and as noted in our prior year audit, we noted that there were instances where copies of SLAs with schools could not be provided.</p> <p>As part of our recommendation in the prior year we recommended that third party confirmation be obtained in writing for new agreements and any changes to services. Management responded that going forwards 'change to arrangement forms' would be filed in order to track changes and for completeness. During our audit we found that this process was not in place.</p>
Possible action	We recommend that the change to arrangement forms are completed and filed.

Service Level Agreements ("SLA") – Prior year finding

Management response	All schools visited by the director have current signed SLAs in place, as have new schools. 10/104 schools do not have signed SLAs and plans are in place to secure signatures over the next 2 terms.
Timing of implementation and responsibility	Will be in progress over the next 2 terms.

Bank reconciliations – Prior year finding

Fact and potential consequence	<p>Bank reconciliations are performed monthly by the finance manager, however, these do not appear to always be performed on a timely basis which could result in any discrepancies not getting resolved as quickly as they could be.</p> <p>In addition, there is no evidence of the review of these reconciliations that is performed by the Director.</p>
Possible action	<p>We recommend that bank reconciliations are performed on a timely basis each month and that evidence in respect of the independent review is maintained.</p> <p>As a recommendation, Fiona Reading (Finance Assistant) could reconcile the bank accounts with Lynda Heywood (Finance Manager) reviewing the reconciliations.</p>
Management response	<p>Subsequent to the audit all reconciliations are within 2 weeks of month end with most being within one week. These are emailed to the Director and discussions follow as necessary, email audit trail is kept in Finance folder. During the year under review, the only month falling outside these parameters was June when the annual audit took place and this took priority.</p> <p>We keep the input of bank data and banking separate from the reconciliations of the processed data which is a challenge in a small organisation. Fiona Reading (Finance Assistant) processes, Lynda Heywood (Finance Manager) reconciles and Bernadette Fisher (Director) reviews.</p>
Timing of implementation and responsibility	Already in progress.

Frequency of Governance Committee meetings

Fact and potential consequence	It is noted that only two of the four Governance meetings were held during the year. This may indicate the need for management to review the current committee structure and assess the required frequency of meetings.
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Frequency of Governance Committee meetings

Possible action	We recommend that management reviews the current committee structure, considering the frequency of sub-committee meetings required, based on attendance and objectives of the sub-committees.
Management response	It has been agreed at the Governance Meeting on the 6 September that the frequency of these meetings will be changed to 4 meetings per year and these have been scheduled in for the coming year.
Timing of implementation and responsibility	Already actioned.

Cash flow management

Fact and potential consequence	<p>We note that cash flow forecasts are not prepared.</p> <p>Given the reliance placed on the overdraft facility, which we understand is guaranteed by the Diocese, we feel that this should be an area of focus in consideration of the going concern status of the Charity.</p> <p>We have also been made aware that there is also a recent request from the Diocese to report monthly in respect of the overdraft facility.</p>
Possible action	We recommend that management review their current forecasts and consider the inclusion of a cash flow forecast, in order to better understand their cash needs moving forward.
Management response	We are currently exploring the most meaningful format and time period to report on for cash flow projections, given our biggest cash flow requirement is middle of the month (payroll) and our requirement to report quarterly to the Diocesan Finance committee.
Timing of implementation and responsibility	As above, a time period is to be confirmed.

General Data Protection Regulation 2018

Fact and potential consequence	<p>Through discussions with Lynda Heywood (Finance Manager) and Bernadette Fisher (Director), it is noted that there is nobody charged with responsibility of compliance with data protection regulation.</p> <p>The Data Protection Act is due to be replaced by the GDPR in 2018. Breaches or non-compliance can result in fines from the Information Commission Office.</p>
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General Data Protection Regulation 2018

Possible action	We recommend that an individual is made responsible for compliance with data protection regulations. In consideration of the work that BCCS does, there is sensitive information on file, and therefore we feel this is of particular importance.
Management response	Currently we are discussing how best to approach this given our limited time resources as the compliance work is labour intensive. Discussions were opened up at our Fundraising Committee meeting and we anticipate having a plan in place by December 2017.
Timing of implementation and responsibility	To be implemented by December 2017.

Gift aid declaration

Fact and potential consequence	<p>HMRC is encouraging charities to be alert to situations where donations might have been made under Gift Aid incorrectly and is suggesting that charities ask their donors to confirm each of the following three statements before making a donation under Gift Aid, in addition to the normal statutory Gift Aid declaration:</p> <ul style="list-style-type: none">a) I am donating my own money and the funds have not come from anyone else including family members or from an office or bucket collectionb) The money I am donating is not the proceeds from sales of goods or services or the sale of ticketsc) I have not received something in return for this donation such as an entry ticket to an event or a raffle ticket. <p>Through review of the BCCS gift aid declaration, it appears that the above points do not form part of the declaration.</p>
Possible action	We recommend that BCCS update their declaration in order to comply with HMRC recommendations.
Management response	We have recently updated our gift aid narrative to fall in line with statutory HMRC wording. We will look to include the suggested wording where space allows on our documentation and on our website where practical.
Timing of implementation and responsibility	Already in progress.

Trustee and Director training

Fact and potential consequence	<p>We are aware that there is the need for charity specific training within Brentwood Catholic Children's Society.</p> <p>Without adequate training, the Charity could be exposed to risks as a result of potential unknown breaches in Charity Law, or Trustees' might not be fulfilling their responsibilities.</p>
Possible action	<p>Whilst we note the narrative in the trustees' report in respect of the induction and training of trustees, with the appointment of the new Director, Bernadette Fisher, as well as new trustee's, it is recommended that training be provided on aspects such as Charity Law, Charity SORP FRS102, and trustee's responsibilities – as an example BCCS could circulate the CC20 guidance.</p>
Management response	<p>Plans are in place to circulate the CC20 Guidance "A Guide to trustees duties" again following our meeting on 20/9/2017. One of our new trustees who has a master's in Charity finance has agreed to mentor and support the new director and finance team.</p>
Timing of implementation and responsibility	<p>To be implemented post meeting.</p>

Risk Register Scoring

Fact and potential consequence	<p>Through review of the risk register, it is noted that there doesn't appear to be a consistent method of scoring risks, and there is also no indication of what is high risk/ low risk.</p>
Possible action	<p>To aid management/ trustee review and comparison of risks, we would recommend that the scoring method be reviewed and the inclusion of some form of ranking.</p> <p>This would likely make the risk register more understandable to new trustees also.</p>
Management response	<p>This was reviewed at Governance meeting on 6/09, 2 areas were reviewed and this will be presented at the next Finance and Governance subcommittee meetings in 22nd November 2017.</p>
Timing of implementation and responsibility	<p>As above will be presented at 22nd November 2017 meeting.</p>

CAF bank account 0090236

Fact and potential consequence	Upon review, we note the only transaction through this account was a trivial £14 charge for the audit bank letter, continuing to leave this account open will result in further bank letter charges being incurred.
Possible action	We recommend that management closes this bank account.
Management response	Closure of this bank account was actioned 19/09 by Fiona Reading – Finance assistant.
Timing of implementation and responsibility	Already actioned.

6 SIGNIFICANT ACCOUNTING POLICIES, DISCLOSURES AND ESTIMATES

Accounting policies and estimates

There are no significant judgemental accounting policies or accounting estimates to bring to the attention of the Trustees.

Accounting disclosures

During the course of our audit, we reviewed the adequacy of the disclosures contained within the financial statements and their compliance with both relevant accounting standards, including the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities' ('Charities SORP'), and the requirements of the Charities Act 2011. The following disclosure matters were brought to your attention and subsequently reflected in the revised financial statements:

- Updates required in the list of Trustees (page 1)
- Various amendments to the Trustees Report, for example around the performance and financial review sections
- Various updated within the account policies note, including;
 - Changes to the FRS102 policy (1.2)
 - Updating the expenditure policy in line with FRS102 terminology (1.8)
 - Updating the taxation policy (1.11)
 - The inclusion of a cash at bank and in hand policy (1.12)
 - The inclusion of a financial instruments policy (1.13)
 - The inclusion of an impairment policy (1.7)
 - The inclusion of a critical accounting estimates and judgements policy (1.3)
- Updates to the funds notes to reflect transfers between unrestricted and restricted funds (notes 10 and 11)
- Updates to the CRM restricted fund narrative to reflect the true nature of the spend (note 10)
- Updated to the net assets of the funds of the charity note (note 12)
- Update to staff numbers disclosure to reflect average staff numbers rather than full-time equivalents, as required by Charity FRS 102 SORP
- To provide a more true and fair view to Trustees, the restricted funds note needed to include a transfer from unrestricted reserves column
- The narrative in respect of the CRM database required updating to reflect the slight change in the nature of spending.

Significant difficulties identified during the audit

We have no significant difficulties to note and we would like to thank Lynda Heywood, Bernadette Fisher and the bccs team for their ongoing assistance throughout the process.

7 QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES AND FINANCIAL REPORTING

We have not identified any significant qualitative or exceptional items to bring to the attention of the Trustees.

8 FEES

We confirm that the fees charged during the year in respect of services performed for Brentwood Catholic Children's Society ("BCCS") are consistent with those contained within our Audit Plan submitted to you and dated **Error! Unknown document property name..**

9 INDEPENDENCE

In accordance with International Standard on Auditing (UK and Ireland) 260 "Communication with those charged with governance", there are no changes to the details of relationships between RSM UK Audit LLP and its related entities and Brentwood Catholic Children's Society ("BCCS") and its related entities and directors that may reasonably be thought to bear on RSM UK Audit LLP's independence and the objectivity of the audit principal, **Error! Unknown document property name.** and the audit staff and the related safeguards from those disclosed in the Audit Plan dated **Error! Unknown document property name..**

APPENDIX A - DRAFT LETTER OF REPRESENTATION

Date.....

RSM UK Audit LLP
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Dear Sirs

Audit of Financial Statement – AuditPeriod 31 March 2017

This representation letter is provided in connection with your audit of the financial statements of Brentwood Catholic Children's Society ("BCCS") for the year ended 31 March 2017 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, in accordance with the applicable financial reporting framework. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Generally Accepted Accounting Practice.

We confirm that to the best of our knowledge and belief, and having made appropriate enquiries of other Trustees and officials of the charity:

Financial Statements

1. We acknowledge and have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 27 March 2017, for ensuring that the Charity maintains adequate accounting records and for the preparation of the financial statements in accordance with the applicable financial reporting framework, in particular the financial statements give a true and fair view in accordance therewith.
2. Significant assumptions used by us in making accounting estimates, including those relating to items measured at fair value, are reasonable.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework. In particular, full disclosure is made in the financial statements of:
 - a any advances and credits granted by the charity to trustees and guarantees of any kind entered into on behalf of the trustees;
 - b the identity of the party which controls and (if different) the party which ultimately controls the charity, if any;
 - c transactions and balances with related parties including:

- the names of the transacting party or parties;
- a description of the relationship between the parties (including the interest of the related party/parties in the transaction);
- a description of the transactions;
- the amounts involved (even if nil);
- the amounts due to or from related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date;
- amounts written off in the period in respect of debts due to or from related parties;
- the terms and conditions, including any security and the nature of the consideration to be provided in settlement;
- details of any guarantees given or received; and
- any other elements of the transactions necessary for an understanding of the financial statements.

4. Full disclosure is made in the financial statements of:

- a outstanding capital commitments contracted for at the balance sheet date;
- b all contingent liabilities including details of pending litigation and material claims against the Charity;
- c all guarantees or warranties or other financial commitments.

5. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

6. There have been no events (e.g. loss or reduction of source of income, loss of key customer, supplier or member of staff, change in credit terms offered by suppliers, breaches of bank or other covenants, changes in banking or insurance arrangements or facilities) since the balance sheet date that would impact on the ability of the Charity to continue as a going concern. Should such events occur prior to your signature of the audit report we will advise you immediately. Except as already incorporated into our cash flow and profit forecasts we have no plans or intentions that would impact on the ability of the Charity to continue as a going concern.

7. All events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed. Should such further material events occur prior to your signature of the audit report we will advise you accordingly.

8. The effects of uncorrected misstatements (whether arising from differences in amount, classification, presentation or disclosure of a reported financial statement item and the amount, classification, presentation or disclosure that is required for the item to be in accordance with the applicable financial reporting framework) are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements including those in relation to disclosures is attached to this representation letter.

9. All charities, companies and trusts controlled by the charity have been consolidated in the group financial statements.
10. All designated and restricted fund balances are correctly shown in the accounts.

Information Provided

1. As agreed in the terms of engagement, we have provided you with:
 - a Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters including minutes of members the Trustees meetings, committees of the Trustees, management held between the beginning of the accounting period and the date of this letter; ;
 - b Additional information that you have requested from us for the purpose of the audit; and
 - c Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Charity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. We have also notified you of the actual or contingent consequences which may arise from such non-compliance, including any potential effects on the charity's ability to conduct its activities.
7. We have disclosed to you the identity of the charity's related parties and all the related party relationships and transactions of which we are aware.
8. We have disclosed to you details of all known actual or possible litigation and claims whose effect should be considered when preparing the financial statements.

9. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.
10. We confirm that we have disclosed to you details of all banking and financing arrangements including related contracts and hedging products.
11. We confirm that we have informed you of all tax avoidance schemes used by the Charity.

Charitable Status

1. We have not conducted, or permitted to be conducted any activities which call into question the charitable nature of the charity.
2. There have been no communications with the Charity Commission/OSCR or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any administrative duty.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the board at its meeting on 20 September 2017.

Yours faithfully

Signed on behalf of the board of Brentwood Catholic Children's Society ("BCCS")

Trustee

Date

APPENDIX B - UPDATED REGULATORY UPDATE

A) INTRODUCTION

This section details relevant changes in the regulatory and financial reporting environment. Further details of many changes are set out on our charities sector pages: <https://www.rsmuk.com/what-we-offer/by-industry/charities>

B) REGULATORY ISSUES AND OTHER MATTERS

Auto Enrolment

On 1 October 2012, new pension laws came into force that introduced new duties for employers in relation to employee pension provisions. For the first time, employers will be obliged to:

- 10 enrol most of their workforce into a pension scheme; and
- 11 make employer pension contributions.

These new rules affect all employers with employees in the UK, regardless of the number of individuals they employ and there are several fundamental issues to consider. The new rules are not just restricted to employees in the strict sense of the word as anyone who is classed as a 'worker' for National Minimum Wage purposes will be included in the new pension regime.

Each employer will be given a 'staging date', determined by how many employees they have as at 1 April 2012. These will fall within the following periods:

Existing employers	Already implemented
New employers 1 April 2012	Between 1 May 2017 and 1 February 2018

The above table provides only a summary and specific staging dates can be found at The Pensions Regulator website (www.thepensionsregulator.gov.uk/employers/staging-date-timeline).

Mind the Gender Pay Gap

The difference in pay between men and women has been a debate for some time. The Office of National Statistics is reporting that on average women earn 19.2 per cent less than men in full time roles. In an attempt to overcome the gender pay gap the government has published draft regulations.

The new regulations will apply to all employers in the private and voluntary sector with 250 employees or more. From April 2017 these new regulations will require reports to be published on the company website on an annual basis. Even if you are a smaller charity our advice is to keep listening. As your employees become aware of the regulations and start to query the gender pay differences in your organisation you could be left open to sex discrimination, equal pay and/or constructive dismissal claims.

Reporting requirements

All reports will need to be published using the calculations below:

- the mean gender pay gap;
- the median gender pay gap;
- the gender bonus gap;
- the numbers of men and women who received bonuses; and
- salary quartiles.

These figures should be calculated using gross pay, before any deductions are made. They are defined in the regulations as including basic pay, maternity pay, paid leave, sick pay and bonuses. Clarity on whether bonus reporting should include bonuses earned but not yet received is still to come, but as an initial overview organisations should report on:

- payments in relation to profit sharing, productivity and performance;
- long term incentive plans or schemes; and
- the cash equivalent value of shares on the date of payment.

Publishing information that highlights inequalities in pay could have significant implications to your organisation. These include damage to your employer reputation, negative press or costly equal pay claims. By being proactive and carrying out an equal pay audit you will be able to identify any gender pay gap issues and address these.

Apprenticeship levy

The apprenticeship levy is part of the government's plan to increase apprenticeships across the UK; a manifesto commitment given at the last election to generate three million new apprenticeships by 2020. The government's aim is that the new levy should help improve both the quantity and the quality of apprenticeships which came in to effect on 6 April 2017.

The levy will apply to all public and private sector organisations, charities and educational providers, including academy trusts. The levy is charged at a rate of 0.5 per cent of an employer's annual pay bill, though there will be an allowance of £15,000 per year to offset against the levy. In effect, this means employers will only start to pay the levy if their pay bill exceeds £3m in a given tax year. The employer will pay the levy monthly to HMRC through the normal pay as you earn (PAYE) process.

Employers in England will be able to reclaim their apprenticeship levy contributions as digital vouchers to pay approved providers for training employees on apprenticeship programmes. Different systems will apply in Scotland, Wales and Northern Ireland.

The government has recently announced that unspent funds in an employer's digital account will expire after 24 months. So funds entering the account in April 2017 will expire in March 2019 unless the employer uses them by that time. The digital account works on a 'first-in, first-out' basis, so payments are automatically drawn from the funds that entered the account first.

Employers that pay the apprenticeship levy in England will also receive a 10 per cent top-up from the government to their total monthly contributions. So for every £1 an employer pays in, they can draw down £1.10 to spend on apprenticeship training.

'Connected' employers can pool their funds into a single digital account to pay for apprenticeship training. For example, academy trusts operating under an overarching umbrella trust arrangement could pool their individual contributions and use the combined funds to support one or more apprentices working across all trust members.

The government is continuing to make amendments to the proposals and we anticipate more will follow before final commencement of the levy. Recently announced changes include:

- an extra 20 per cent of funding to train 16-18 year olds;
- more money for employers to train apprentices in the poorest parts of England; and
- more money for employers who take on apprentices under 24 years old who are in care or who have special educational needs.

GDPR

On 25 May 2018 the General Data Protection Regulation ("GDPR") will replace the Data Protection Act 1998 ("DPA").

This will change the way charities collect, store and process personal data. The new legal framework is the biggest change to data privacy legislation in over 20 years. Digital advancements over this time have meant that consumer data is created, collected and stored within seconds. It is more important now, than ever, to have clear laws and safeguards in place given the growing digital economy and associated cyber security risk.

The GDPR aims to protect EU citizens' personal data, regardless of borders or where the data is processed. The new rules are much broader than the 1995 Data Protection Act with a more expansive definition of personal identifiers, such as an IP address, which is now classified as personal data. Businesses based outside the EU will still need to be compliant if they have EU customers. As such the UK's decision to leave the EU will not affect the need to comply with GDPR.

Penalties

The penalties are significant, fines for non-compliance of up to €20m or four per cent of annual global turnover could be imposed.

Will this impact my charity?

Any charity that processes consumers' personal data will need to comply with the new obligations. That means firstly understanding the changes to the existing processes under the new rules. As a first step the charity should consider:

Consent – do you have explicit consent from individuals for the data you hold about them?

Data protection officer – does your charity have a 'Data Protection Officer' to monitor responsibilities to comply with the GDPR?

Accountability – do you have a data protection programme and are you able to provide evidence of how you will comply with the requirements of the GDPR?

Mandatory breach notification – would you be able to notify a data protection supervisory authority of a data breach within 72 hours?

New rights – do you know how you will comply with the new rights; the right to be forgotten, the right to data portability, and the right to object to data profiling?

Data protection officers – do you conduct large scale systematic monitoring (including employee data) or process large amounts of sensitive personal data?

Modern Slavery Act

The Modern Slavery Act 2015 came into force in March 2015, The Modern Slavery Act was introduced for periods ending 31 March 2016 and after. It applies to entities that:

- are a corporate or partnership body, irrespective of where they are incorporated;
- undertake business, or part of a business, in the UK;
- supply goods or services; and
- have a global annual turnover of £36m or more.

If a charity's income, including that of any subsidiaries, is £36m or more then they will need to comply with the legislation.

A key provision of the Modern Slavery Act 2015 requires organisations meeting the criteria above to produce an annual slavery and human trafficking statement that sets out what action has been taken to eradicate it within their business or supply chains.

The Modern Slavery Act 2015 does not dictate what information must be included within the statement. There is, however, a general consensus as to what information would generally be considered good practice to include:

- the organisation's structure, business and supply chain;
- policies relating to slavery and human trafficking;
- slavery and human trafficking due diligence processes across its business and supply chains;
- the parts of the business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage this risk;
- an assessment of the effectiveness of arrangements to ensure slavery and human trafficking is not taking place, including performance against any relevant performance indicators established; and
- details of training available to staff.

Brexit and Charities

There is no doubt that Brexit will have far reaching impacts and many charities will be understandably concerned. However this remains an area of uncertainty for all as the UK's exit negotiations continue and it is not possible to fully evaluate the impact.

We have published sector updates on our website: <https://www.rsmuk.com/ideas-and-insights/brexit-sector-perspectives>

C) CHARITY COMMISSION

Charity Commission News

Charity Commission News ("CC News") is the Commission's quarterly newsletter, which provides essential information for charity trustees and their advisers. <https://www.gov.uk/government/collections/charity-commission-news>. The latest CC News, issue 57, was published in May 2017. The spring 2017 issue contains articles on revised financial guidance for trustees, warning against using cash couriers, pension auto-enrolment and charity trustees' decision making.

Error! Hyperlink reference not valid. Charity Commission Publications

Set out below are a number of useful Charity Commission publications:

CC17 – Accruals accounts pack – SORP FRS 102 for charitable companies	March 2017
CC25 – Charity finances: trustee essentials	March 2017
Charity governance, finance and resilience: 15 questions trustees should ask	March 2017
CC15d – Charity reporting and accounting: the essentials: This guidance explains the different accounting and reporting requirements for different sizes and types of charity for financial years beginning on or after 1 November 2016	November 2016
CC38 – Charities and litigation: a guide for trustees	August 2016
CC14 – Charities and investment matters: a guide for trustees (updated)	August 2016
CC20 – Charity fundraising: a guide to trustee duties	June 2016
CC35 – Trustees, trading and tax - how charities may lawfully trade	February 2016
CC19 – Charities reserves: building resilience	January 2016
CC12 – Managing a charity's finances	January 2016
CC3 – The essential trustee (new version)	July 2015
CC15c - Charity reporting and accounting: the essentials	March 2015

New Governance code

The new Charity Governance was launched in July 2017, to assist charities and their trustees develop high standards of governance and is available online at <https://www.charitygovernancecode.org/en/>. The Charity Commission has withdrawn its publication, Hallmarks of an Effective Charity and charities should now refer to the code for guidance.

The new version of the code starts with the assumption that all trustees are committed to are committed to their charity's cause and have joined its board because they want to help the charity deliver its purposes most effectively for public benefit and understand their roles and legal responsibilities as set out in the Charity Commission's guidance *The Essential Trustee* (CC3).

There are seven principles which make up the Code and each section includes recommended practice for larger and smaller charities:

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision-making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

The recommendations included within the code are as follows:

- 12 more oversight when dealing with subsidiary companies; registers of interests and third parties such as fundraising agencies or commercial ventures.
- 13 an expectation that the board will review its own performance and that of individual trustees, including the chair, every year, with an external evaluation for larger organisations every three years.
- 14 no trustee should serve more than nine years without good reason.
- 15 boards thinking carefully about diversity, how they recruit a range of skills and experience, and how they make trusteeship a more attractive proposition.
- 16 boards should operate with the presumption of openness.
- 17 stronger emphasis on the role of the chair and vice chair in supporting and achieving good governance.

Charity finances: trustee essentials (CC25)

The Charity Commission has updated its guidance CC25 in March 2017. This update is part of a drive to ensure that trustees understand their financial responsibilities when running a charity. The Commission has stated that the trustees' legal duties regarding financial management have not changed, but charity trustees should read the updated guidance to ensure that they are best placed to protect their charity's assets and resources.

Charity finances: trustee essentials (CC25) covers the most common areas of managing charity resources including internal financial controls, charity reserves, and staff and volunteers, directing the reader to further material where required. Charity governance, finance and resilience: 15 questions trustees should ask was also republished in March 2017.

The Commission is conducting a wider ongoing review of how it supports trustees in this area, including working with external partners and umbrella bodies and improving navigation to its online guidance.

Making digital work: 12 questions for trustees to consider

The Commission has published a guide to digital technologies for charities
<https://www.gov.uk/government/publications/making-digital-work-12-questions-for-trustees-to-consider>.

The 12 questions in the guide provide discussion points for Trustee boards to think about how the use of digital technology can assist with the effective running of the charity as well as communication with supporters, beneficiaries and regulators.

Charity Commission updates guidance for fee-charging educational charities

The Commission has updated its guidance on ways that trustees of fee-charging educational charities, including charitable independent schools, can ensure they run their charities for the public benefit. The guidance has always made it clear that sharing facilities with local state schools is one way in which trustees of charitable independent schools can fulfil their public benefit duty by making provision for the poor to benefit. The updated guidance now encourages trustees of charitable schools, as a matter of good practice, to comment on their individual approaches to public benefit in sports, drama, music and other arts in their trustees' annual report.

Commission urges charities to review commercial partnerships

The Commission is issuing an alert to trustees, warning them to review any commercial relationships they may have. This follows concerns raised with the Commission and in the media regarding the commercial arrangements of some charities. Charities have many legitimate commercial arrangements raising funds for good works, however trustees need to protect the reputation of their charity and ensure their actions reflect the values of their charity as well as meeting legal requirements. It is essential that any arrangements are transparent and that they do not jeopardise the reputation of the charity. The alert sets out the expectations of the commission including: checking for conflicts of interest; ensuring arrangements are properly documented and reviewed regularly; and, that the commercial benefits to the charity are made clear. Failure to comply with the Commission's expectations could result in regulatory action.

Accounts monitoring

The Charity Commission has published two reports following its accounts monitoring reviews, on the quality of charity accounts 2016 and the quality of small charity accounts. The report on the quality of charity accounts can be found at: <https://www.gov.uk/government/publications/accounts-monitoring-the-quality-of-charity-accounts-2016>. The review looked at the 'the percentage of charity accounts monitored found to be of acceptable quality'.

The review included a focus on whether transactions involving trustees had been adequately disclosed, and indications of potential conflicts of interest or personal benefit. They found that 74% of accruals accounts had included a note on trustees' remuneration as required by the SORP, but the report goes on to highlight that a quarter of the sample had not done so.

There is detailed guidance to assist trustees with the preparation of the annual report and financial statements, including example accounts available on the Charity Commission's website: <http://www.charityscorp.org/about-the-sorp/example-trustees-annual-reports/>. This provides a useful structure for preparing documents that meet the reporting requirements under the new SORP.

The report reminds trustees that they are responsible for checking that the accounts and other information they submit on their annual returns is correct.

Would your charity have stood up to the scrutiny of the Charity Commission in their 2016 monitoring review?

RSM has produced a charity accounts best practice checklist which can be found at <http://www.rsmuk.com/ideas-and-insights/what-every-trustee-should-know-about-their-charitys-accounts> and includes annual accounts preparations, financial risks and other regulatory risks.

Regulatory alerts, inquiry and case reports

<https://www.gov.uk/government/collections/charity-commission-reports-decisions-alerts-and-statements>

As in the public interest, the Charity Commission usually:

- 18 releases a public statement whenever it opens a statutory inquiry into a charity
- 19 publishes a report of the inquiry.

Published statements and reports are shown on the charity's entry on the public register of charities.

The Commission may also publish reports of its non-inquiry work where:

- 20 there is significant public interest in the issues involved and the outcome
- 21 there are lessons that other charities can learn from them.

D) CHARITIES ACT (ENGLAND AND WALES CHARITIES)

Fundraising rules

New Charities Act fundraising rules came into force from 1 November 2016. The changes are introduced by the fundraising sections of the Charities (Protection and Social Investment) Act 2016, and affect the trustees' annual reports of larger charities that fundraise from the public, as well as the contents of the agreements that must be in place when professional fundraisers or other businesses ('commercial participators') raise money for charities.

There are 2 new requirements:

1. Where a charity uses a professional fundraiser or commercial participator to raise funds the compulsory written agreements between charities and these third parties must include extra information covering:

- the scheme for regulating fundraising or recognised fundraising standards that will apply to the professional fundraiser or commercial participator in carrying out the agreement;
- how the professional fundraiser or commercial participator will protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate; and
- how charities will monitor the professional fundraiser or commercial participator's compliance with these requirements.

2. Registered charities that, by law, must have their accounts audited have to include extra information about fundraising in their trustees' annual report. The extra annual statements are about the charity's:

- approach to fundraising;
- work with, and oversight of, any commercial participators/professional fundraisers;
- fundraising conforming to recognised standards;
- monitoring of fundraising carried out on its behalf;
- fundraising complaints; and
- protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Charity fundraising: a guide to trustee duties (CC20) and Charity reporting and accounting the essentials November 2016 (CC15d) which have been updated to reflect the new requirements.

Charities (Protection and Social Investment) Act 2016: Implementation plan

On 20 May 2016, the Cabinet Office published a provisional timetable explaining when the different sections of the new Charities (Protection and Social Investment) Act 2016 ('Act'), are going to take effect. The Act, which received Royal Assent in March 2016, is an amending act, amending both the Charities Act 1992 and the Charities Act 2011.

The provisions of the new Act help to address gaps in the Charity Commission's protective powers and so the planned timetable provides for them to be brought into effect as soon as possible (mostly through 2016, with the rest through 2017) whilst at the same time allowing trustees and others affected by the changes to properly prepare for them.

Although it is anticipated that many of the Act's provisions will only affect a relatively small number of charities and individuals there are a few significant changes, most notably on disqualification, about which all charities will need to be aware. The Charity Commission has indicated that it will be publishing further updates and information about the provisions in the next few weeks and months and that it will be updating its guidance.

The five key changes are as follows:

1. New powers to disqualify and administer official warnings.

The Charity Commission will have new powers to disqualify individuals from being trustees and holding senior management functions, and the power to issue an official warning to a charity or charity trustee where it considers that a breach of trust or duty, or other misconduct or mismanagement has been committed. The Charity Commission might issue a warning on future conduct in circumstances when it would be disproportionate to take stronger action. For example a charity makes unauthorised payments to a connected company or that benefit a trustee and the size of the sums involved is such that stronger action would be disproportionate.

2. Power for Trustees to make social investments.

Trustees of certain charities will be able to invest their charity's money to get a financial return (even if it's below a commercial rate) and, at the same time, further its charitable purposes. Note that this power is conditional in respect of permanent endowment, and is restricted in that it is not available to charities established by, or whose purposes and functions are set out in, legislation; or to charities established by Royal Charter. The Act also defines a social investment and sets out the Charity trustees' duties in relation to social investments.

3. Other protective powers

A number of other protective powers are to come into force, including the power for the Charity Commission to direct a charity to wind up; and the power to direct charities to not take a particular action. Some of these powers can only be used when a statutory inquiry has been opened.

4. Fundraising agreements – new terms, new accounting requirements.

In addition to existing requirements already in force, agreements with commercial fundraisers will need to be clear about certain standards, how they protect the public (including vulnerable members of the public) and how the charity monitors their compliance. Auditable charities will also be required to include statements about these matters in their annual report.

5. Automatic disqualification changes

The list of reasons which automatically prevent someone from acting as trustee is to be strengthened. These automatic disqualification provisions will now also cover senior managers such as those in chief executive and finance director positions.

E) FINANCIAL REPORTING DEVELOPMENTS

Charities SORP (FRS 102) and Charities SORP (FRSSE) – all Charities

The Charities SORP (FRSSE) has now been withdrawn. From 1 January 2016 there is one single SORP, Charities SORP (FRS 102). A charity adopting the FRSSE SORP for accounting periods commencing on or after 1 January 2015, will need to restate their comparatives when preparing the financial statements for the following year.

Note that charities cannot apply Section 1A of FRS 102.

Filing requirements and concessions – parent charity Statement of Financial Activities ("SoFA")

Filing requirements and concessions provided by the Charity Commission were removed from the new SORPs, as they cover four charity law jurisdictions each with their own filing requirements, and such requirements are outside the scope of a SORP.

The Companies Act permits the omission of the charity parent income and expenditure account when group accounts are prepared. In the past the Commission has extended this practice to non-company charities (SORP 2005, para 397) by allowing the omission of the entity SoFA where group accounts are prepared as long as gross income/turnover and results of the parent charity are clearly disclosed in the notes. The Charity Commission has not changed this approach, despite it no longer being stated in the new SORPs, but will keep this under review.

It is worth noting that despite this concession, the Charity Commission retains the power to require the production and filing of any parent charity SoFA and similarly members of the public have a legal right to request this statement.

This concession is not allowed by OSCR and so Scottish and Cross-Border charities must continue to prepare and file consolidated and individual accounts, including a parent charity SoFA and cash flow statement and related notes.

Charities (Accounts and Reports) Regulations 2008 Update – England and Wales Charities

The regulations to formally adopt SORP 2015 and to update the regulations in England and Wales have yet to be updated. In the intervening period the Charity Commission have updated their guidance "Charity reporting and accounting: the essentials March 2015" <https://www.gov.uk/government/publications/charity-reporting-and-accounting-the-essentials-march-2015-cc15c>

Section 8 of this guidance explains the Charity Commission's view on what charities who prepare accruals accounts should do until the new regulations are made. The section explains that the required content of the Trustees' Annual Report is based on the 2008 Regulations and that, as trustees are allowed to amplify on the information contained in the Trustees' Report following the new SORP will still comply with the 2008 Regulations.

However technically this means that charities do not need to include the additional SORP (FRS 102) or FRSSE SORP requirements until the regulations are updated.

Charitable companies

Charitable companies are driven by the Companies Act 2006 legislation. The continuation of the 2008 Regulations has no impact on the preparation of their accounts and the new SORPs 2015 can be applied.

Non-company charities

Unincorporated charities have a conflict and in the Charity Commission's view the "true and fair" precedence takes preference. Unincorporated charities (those charities which are not charitable companies) will need to disclose the following statement in the accounts:

"The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn."

Impact on the trustees' annual report

The Trustees' Annual Report should also make a statement with regard to compliance with the prevailing law and regulations

It is recommended that the following reference is made by all charities in the trustees' annual report:

"The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014."

F) TAXATION – DIRECT AND INDIRECT – ALL CHARITIES

Guidance on donations by a company to its parent charity

For those charities with a wholly owned trading subsidiary that makes a gift aid donation of its profits to its parent charity, the current position is:

1. For accounting periods beginning on or after 1 April 2015 HMRC will take the position that if a donation from a subsidiary constitutes an unlawful distribution then it is not a qualifying donation and so no tax deduction is available in the subsidiary.
2. For earlier periods if the enquiry window has closed HMRC would need to use discovery legislation to make adjustments. As the return normally will have been made in accordance with generally prevailing practice they cannot do this.
3. For periods within the enquiry window, generally year ended 31 March 2015 and onwards HMRC reserve the right to open enquiries.
4. Repayment by the charity does not constitute taxable income in the hands of the subsidiary (para 45 annex IV HMRC charity guidance and ICAEW paper para 25).
5. In the case of a charitable trust the balance repayable by the charity is technically a loan to a participator (ICAEW paper para 26) and section 51 Finance Act 2016 provides that if the loan was made before 25 November 2015 there is s455 tax to pay although this is repayable once the "loan" is repaid.

Loans to charities

Following lobbying by charities section 51 Finance Act 2016 exempts loans made by close companies to charitable trusts from the loans to participator rules which could otherwise result in a tax charge for the company if a participator (shareholder) is a trustee. While there had been some concerns that, technically, loans from charity subsidiaries could have been caught the change will be of particular relevance to family foundations which are supported by the family company. The exemption applies to loans made on or after 25 November 2015.

Gift Aid

Regulations to change the Gift Aid scheme to allow for the collection of gift aid donations via intermediaries (digital giving) have been published. The regulations come into force on 6 April 2017. So far as charities are concerned these replicate the previous regime other than for the introduction of a new 30 day time limit for sending written confirmation of an oral gift aid declaration to the donor.

The Small Charitable Donations and Childcare Payments Act 2017 is awaiting Royal Assent and will come into force from 6 April 2017. This makes changes to simplify the Gift Aid Small Donations Scheme. In addition to simplifying the basic eligibility criteria donations made in relation to activities in a community building will in future include donations made in the same local authority area as the community building for example to scout and other youth groups doing bag packs at local supermarkets. In addition charities carrying on activities in community buildings will only be able to claim the higher of the community buildings allowance and the basic charity allowance not both.

Following HM Treasury's response to the consultation on donor benefits in 2016 a further consultation has been launched on more detailed options for reform. It is unlikely that a new regime will commence before 6 April 2018.

VAT business/non-business Issues

The question of what is a 'business' or 'non-business' activity has been the subject of a recent Court of Appeal case. The decision is important because 'business' activities are potentially subject to VAT, while 'non-business' activities do not attract VAT (with no right of VAT recovery on related costs). Many charities face this issue at various times. Non-business activities can also mean that work to certain buildings is eligible for zero-rating.

In *Longridge on the Thames v HMRC*, the Court of Appeal found the construction of a training centre could not be zero-rated (as a result of claimed non-business use) because the charity carried out an economic activity i.e. was using the building for business purposes.

Longridge provided water-based and other outdoor activities (for both recreational and educational purposes) and gave instruction in how to undertake such activities. It made a charge for these facilities but that charge may be adjusted to meet the ability of the end-user to pay insofar as donations or receipts from other activities permitted this. The charity argued this is a non-business activity. HMRC argued that the test for determining whether there is an economic activity focuses on whether there is a direct link between the service which the recipient.

The Court agreed with HMRC, it held that if there was a direct link between the service and payment received for the service. There was no exception for activities carried out for the benefit of the public. The decision may yet be appealed. It is however potentially important because it goes against, and potentially over turns, some well-known VAT decisions which have been used by charities (and previously accepted by HMRC) to support non-business treatment, be it to secure VAT relief on the construction of qualifying buildings, or justify why certain activities do not fall within the scope of VAT.

G) SEMINARS

RSM Charity events

RSM hold regular seminars, training and events at our offices around the UK. More information on our latest events can be found at <https://www.rsmuk.com/events>

Charity Governance 2020

Good governance has always been key in all sectors, but nowhere is governance more important than in the charity sector. Those with ultimate responsibility in not for profit organisations are giving their time voluntarily, but this does not absolve them from blame if things go wrong. Therefore the systems and structures within which they operate have to be especially clear and robust. Charity Governance 2020 is about being as effective as possible. Raising average to good and good to outstanding, to enable a rise in the standards of delivery and outcomes.

Our best practice guide will help you embed good governance in your charity. The guide uses our wealth of knowledge to not just provide a handy overview of the main issues and areas of debate, but frames them both individually and as a cohesive whole. It draws on that experience to highlight common problems and suggest practical solutions, remembering all the time that good governance is not set in stone once reviewed, and improved, but is a fluid process, that evolves within a robust structure. For more information please visit: <http://www.rsmuk.com/ideas-and-insights/charity-governance-2020>

Charity Audit and Finance Committee Effectiveness

In a time of financial anxiety charities must improve decision making and become more accountable for the way funds are raised. Audit, finance and risk committees have an important role to play. But with little central guidance, how can charities make sure their committees are fit for purpose and contribute to good governance?

We undertook a survey of the charity sector in October 2016 assessing current practice and the sector's approach to audit and finance committees. Our survey report provides you with an opportunity to benchmark your charity against others in the sector and our best practice guide will serve as a helpful reference point, even for charities that have good governance. For more information please visit: <http://www.rsmuk.com/ideas-and-insights/charity-audit-and-finance-committees>.